GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:2280
ANSWERED ON:08.08.2005
PAYMENT OF INSURANCE CLAIMS OF FARMERS OF KARNATAKA
Channappa Shri Kunnur Manjunath

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government is aware that Agricultural Insurance Company (AIC) has refused to pay compensation towards Crop Insurance to the farmers of Sunakal Bidari in Ranebennur Taluk and Shidenur in Byadagi Taluk of Haveri District in Karnataka due to the small errors committed by Malaprabha Grameena Bank and Syndicate Bank by wrongly mentioning the Hobli one during 2002-03;

(b) if so, the details thereof; and

(c) the measures taken in this regard so far?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a) to (c): As per provision of the scheme insurance proposals of the farmers are collected by the banks and them passed on to the Insurance Company within stipulated period. The Insurance Company accepts the insurance proposals, if they are complete in all respect. In Sunakal Bidari in Ranebenennur taluka and Shidenur in Byadagi Taluk of Haveri district, the banks submitted first incomplete proposals which were returned by the Insurance Company. The banks submitted again the corrected proposals very late i.e. after the settlement of claims for the crop season. Agriculture Insurance Company of India Ltd. (AIC) rejected the insurance proposals, as they were time barred. However, keeping in view the interest of farmers, the banks have been asked to bear the financial liability, if any, on account of crop loss suffered by the farmers.